

*The Influence of British Capital on the Western Range-Cattle Industry**

I

IT is my purpose in this paper to sketch briefly one heretofore ignored facet in American economic history: the influence of British capital, knowledge, and livestock in the growth, development, and eventual decline of the Western range-cattle industry during that colorful, though all too frequently disastrous, period between the American Civil War and the end of the century. Although the locale of this story would seem to confine its interest and importance largely to the West, it was, in fact, an incident of profound national and international importance. It filled the press of the United States with glowing descriptions of great baronial estates teeming with hundreds of thousands of head of cattle; it brought about long articles of analysis, praise, sharp criticism, and denunciation in the British press; it resulted in an international battle of words involving at least three American secretaries of agriculture, presidents of the Board of Trade, ministers of agriculture, and chancellors of the exchequer. There were rude questions in the House of Commons and pointed inquiries in Lords. There were even letters to *The Times*!

In spite of the curious disregard of this subject in many of our modern history texts, British economic interest in the United States had not been terminated by the success of the American Revolution. On the contrary, that struggle had the long-run effect of increasing Anglo-American trade, commerce, and investment by freeing British interests from many of the controls and restrictions applicable under the old mercantile system. As early as 1791 English capitalists had become interested in the securities of the United States, and by 1801 the British banking house of Baring Brothers had cashed the coupons of over four million pounds sterling of American debt.

The War of 1812 and the depression of 1837 altered only momentarily the upward trend of British investment in America. The repeal

* Sources for the data given in this paper will be given in a forthcoming publication of the Western Range Cattle Industry Study of which I am director. In general, however, the paper is based on the actual corporate records of each of the cattle companies listed herein, which were located, microfilmed, or transferred to this project. Documentary files of the London and Edinburgh stock exchanges as well as the Companies Registration Offices in the same cities provided additional source materials.

of the Corn Laws brought about a profound change in British-American economic relations. Wheat from the American granary poured into Britain, displacing the once lucrative and well-protected English farm economy. The result in the British Isles was a decline in agriculture with a serious dislocation of farm labor and production. In America the wheat farmer thrived on his newly found market, and thousands of virgin acres felt the first sharp thrust of the plow. From across the Atlantic to supply the need for better farm cattle came scores of purebred livestock out of the pastures of Herefordshire, Durham, Galloway, Angus, Ayrshire, Hampshire, Cheshire, Suffolk, the South Downs, and off the gentle slopes of the Cheviots. After 1837 American flocks and herds were improved with an ever increasing infusion from the best blood lines of British cattle, horses, sheep, and hogs.

British traders, in the meanwhile, had actively entered the livestock traffic in America. During the period of Mexican sovereignty in California a group of English importers operating out of Lima, Peru, had secured almost a monopoly of the California hide trade that lasted through the American occupation in 1846. At almost the same time the Hudson's Bay Company and its subsidiary, the Puget Sound Agricultural Society, were actively engaged in raising cattle in the Columbia River Basin and sharing the results with the British and American settlers there. A large herd of mixed Shorthorn and Durham cattle was developed by the society; shiploads of live cattle as well as barrels of salted beef were shipped regularly to the Sandwich Islands; thousands of head of stock were loaned to the Oregon settlers to build up the herds depleted by the long drive across the plains. Shrewd British visitors to Texas noted the rapid increase in the long-horned herds and reported their observations to interested parties at home.

The demand for livestock and beef in America increased with each passing year. Livestock were needed for the scores of new settlements on the frontier, for the Argonauts in California, and for the rapidly growing urban communities in the East. Texas stock were driven overland to St. Louis and New Orleans, while large numbers of Indiana and Illinois cattle were marketed in New York, Philadelphia, and other cities. The Civil War put a strain upon the meat producers of the nation. Heavy army demands taxed northern meat resources to the limit; there were shortages in the larger cities and prices reached new levels. The end of the war brought but little relief. The herds of the South, exclusive of Texas, were depleted to the lowest point in thirty

years. Those of the North were unable to meet the increased demand. Thousands of displaced veterans of both the northern and southern armies went west into Iowa, Missouri, Kansas, Colorado, and Nebraska, where they took up cheap land and became farmers and ranchmen. Texas trail herds overflowed the Lone Star State and stocked the new ranches of the West from California to the Missouri.

At this juncture disaster struck the livestock industry in both America and Great Britain. Virulent disease appeared in the herds of both: splenic or "Texas" fever in the American West and hoof-and-mouth disease in England and Scotland. In America the affliction was a disaster for the Texans but resulted in the rapid expansion of northern herds as one state and territory after another applied quarantine regulations to the southern cattle.

In Great Britain the situation proved more serious. For years the British — with a rapidly increasing population — had depended upon heavy imports of livestock from the Continent, but during the 1860's the Continental herds were ravaged by anthrax against which Britain applied the most stringent quarantine regulations to protect her own cattle. The disease entered the island from Ireland, however, and spread like wildfire. Tens of thousands of head were deliberately slaughtered in a desperate attempt to combat the spread of the malady. The financial losses were enormous and progress against the disease painfully slow. At the very time that the demand for meat was rising throughout the heavily industrialized nation, the production of beef continued to decline. Prices soared. Heavy annual imports of store cattle from Ireland were all that prevented a beef famine. It was during this period that the importation of thousands of barrels of corned and dried beef from America reached new heights. A few experimental trials at the importation of live cattle from America were also undertaken.

The British were beef hungry. They had the money to buy meat in any market, and as the great creditor nation they were at a distinct advantage in purchasing livestock in America and in the rest of the world.

Thus at the same time that America was increasing her livestock production by the founding of scores of new ranches on the vast plains and prairies of the West, as well as in the mountain states and territories, the British were faced with the problem of finding new sources of supply for their meat markets. Stories of the "cattle kings" of Texas had been published in the *North British Agriculturist*, *The*

Mark Lane Express, and other British agricultural and financial publications. Glowing newspaper and periodical accounts of newly made fortunes and baronial estates with tens of thousands of grazing cattle, in Texas, Colorado, Wyoming, Montana, and other western states and territories, brought dozens of inquiries to British consular officials stationed in America. Reports from these officials were avidly sought and frequently quoted in both England and Scotland.

By 1878 British promoters, financiers, and no small number of investors were quite familiar with certain parts of the West. English colony settlements had been founded in Kansas and Colorado, and several million dollars' worth of British investments had been poured into the Pike's Peak gold rush and the spectacular mining developments that followed. For more than twenty years British companies had been operating in California, and English and Scottish settlers had homesteaded throughout the West. It was inevitable that with the peculiar conditions in the livestock market both at home and abroad the British would turn to cattle ranching as a major enterprise in America.

During the late sixties and throughout the seventies British men of influence and means traveled throughout the West and noted the potentialities of the cattle trade. Pamphlets, books, and newspaper reports emphasizing the fortunes to be gained became familiar both in this country and in Great Britain. Long before Owen Wister, Zane Grey, Gene Rhodes, Will Barnes, or William MacLeod Raine began to wax romantic about the West and the cattle business, the British had acquired a taste for such accounts.

The attractiveness of the cattle business was further enhanced by the advantages under which the business flourished. A rancher needed only a homestead, often less than a section of land, upon which to build the home ranch. With such small capital outlay he was free to use his remaining resources to purchase, at from three to eight dollars a head, the Longhorn cattle driven northward by the Texans. Nature and a generous government provided the rest. The rancher was free to use tens of thousands of acres of the public domain with its natural grasses, its streams, timber, and game. He required no muniments of title and paid no rent. The hardy Texas Longhorns thrived on the nutritious native grasses and were able to stand the long drives to their ultimate markets whether in California or in Illinois. Thus, with little overhead, the cost of ranging an eight-dollar steer did not exceed, during this period, fifty cents per year. Marketed as a four-year-old, an

eight-dollar animal probably cost no more than eleven or twelve dollars to raise and brought from seven to twelve dollars per hundred pounds. A seven- or eight-hundred pound Texan would realize fifty to one hundred dollars — a nice profit of from 400 to 700 per cent upon the original investment. It was no wonder that British capitalists and investors, finding the European securities market paying a continuing declining interest rate, were interested in the American cattle business. They failed to recognize, however, that they were coming in on the tail end of a short-lived spectacular market and that changing conditions in America were even then altering the very basis of the western range-cattle industry.

By 1875 the need for beef in Britain had brought about a new industry. In that year 299 head of live cattle were shipped to Britain from eastern American ports. Of greater significance was the fact that in the same year, taking advantage of the principle incorporated in the newly invented refrigerated railroad car, 3,098 hundredweights of fresh beef were sent to Britain in ships especially fitted with refrigerated compartments. The success of shipments of both live and refrigerated beef was the beginning of a traffic of inestimable importance to both Great Britain and the United States. In 1876, 380 live cattle were shipped, but the cargoes of refrigerated meat had increased to 144,336 hundredweights, valued at \$1,850,000. By 1879 an entire fleet of ships was given over to the transport of live cattle, which in that year amounted to 75,931 head. The fresh-meat trade had soared in the same year to 559,730 hundredweights, valued at more than six million dollars. British investors and agriculturists, as well as western American ranchers, felt the impact of this astounding development in international commerce.

II

By 1879 the British had determined to enter the business and secure a share in its profits. A score of ranches had been purchased by the summer of that year and were being operated by individual British owners. Most of these were in Texas. Plans were made to ship live cattle to England from the Gulf of Mexico, and a company was incorporated in London to develop the trade. Young Englishmen and Scotsmen of limited means, unable to maintain the social and economic positions to which they aspired in the mother country, soon appeared in the American West. A number entered the livestock business as small operators, while others took employment on ranches and are

celebrated today in western pulp magazines as the "remittance men."

During this period the Adairs of Rathdaire in Ireland purchased the ranches of Charles Goodnight in west Texas and employed that pioneer cattleman to operate their new American holdings.

It was in the spring of 1879, however, that the first of the great British cattle corporations was organized in London—the Anglo-American Cattle Company, Ltd., with a capital stock of \$350,000. This company later purchased the ranches and some twenty-seven thousand head of cattle of the International Cattle Company of Wyoming and Dakota Territory, then operated by Harry Oelricks. Oelricks retained a substantial interest in the company and was employed as manager in America. This arrangement became the general pattern for more than a score of British-American cattle companies incorporated in London and Edinburgh during the following decade. It consisted of: (1) the selection, after a brief inspection by a British financier or promoter, of a ranch property in the West, which, according to the prospectuses issued, "required additional capital in order to stock it completely and to realize its full potentialities"; (2) the organization and incorporation of a joint-stock company in London, Edinburgh, Dundee, or Aberdeen with a board of directors principally British; (3) purchase of the selected ranch and its herd with payment to the vendors of from one-third to one-half cash, another third in promissory notes, and the final third in stock with the proviso that the vendors could not dispose of their securities for a definite period of years; (4) an agreement with the "famous cattle king"—the American promoter or operator—providing that he manage the property for the new owners at a definite salary for a stated number of years. Thus a distinct effort was made to overcome one of the principal mistakes of the era of British investment in western mining; a deliberate policy was established of uniting the interests of both the British owners and investors with that of the American vendors and managers. If the American manager was to realize upon his interest in the company, then his British associates would also profit accordingly.

A few months after the founding of the Anglo-American Company, James W. Barclay, Scottish member of Parliament and head of a British land and mortgage syndicate already heavily interested in Rocky Mountain mining and agriculture (Colorado Mortgage and Investment Company), founded the Colorado Rancho Company with a capitalization of \$125,000, which was soon increased to \$350,000. This

company purchased a ten-thousand-acre tract north of Denver. It was the smallest of three large cattle companies subsequently organized by the Barclay group and later served as a station ranch for herds being driven from the company's huge ranches in the Arkansas Valley to its northern ranges in Wyoming and Montana.

Late in 1880 a third British ranching corporation was organized, the famous three-million-dollar Prairie Cattle Company, which operated in Texas, Oklahoma, New Mexico, and Colorado. In the following year, 1881, the Texas Land and Cattle Company, a \$3,150,000 corporation, was founded in London by a group which included some of the wealthiest industrialists of Great Britain.

During the period from 1879 to 1882 the price of beef continued to soar in American and British markets. The demand resulted in the shipment to Great Britain of 156,490 head of live cattle in 1880 from the ports of Boston, Philadelphia, Baltimore, and New York. In the same year over 724,272 hundredweights of fresh beef were shipped to London, Liverpool, and the Clydebank. In 1881 and 1882 the trade in live cattle fell off somewhat, but that in fresh meat continued to rise in spite of extremely depressed conditions during the latter year.

In 1882 nine major British-American cattle companies were incorporated in Great Britain: the Arkansas Valley Land and Cattle Company, a Barclay enterprise founded in Colorado; The Cattle Ranch and Land Company in Texas; the Rocking Chair Rancho in the Texas Panhandle; the Hansford Land and Cattle Company in New Mexico; The Matador Land and Cattle Company in Texas; the Powder River Cattle Company in northern Wyoming; the Western American Cattle Company, Ltd., in Dakota Territory; the Western Land and Cattle Company in Texas; and the Wyoming Cattle Company. The total capitalization of the companies incorporated in 1882 in Great Britain exceeded eight million dollars. Nine new British-American cattle organizations with a total capitalization of nine million dollars were incorporated in Great Britain in 1883. These included the Dakota Land and Cattle Company, the Deer Trail Cattle Company of Colorado, the Kansas New Mexico Cattle Company, the Nevada Land and Cattle Company, the New United States Land and Cattle Company in western Kansas, the Sand Creek Cattle Company in Montana, the Swan Land and Cattle Company, Ltd., in Wyoming, and the Western Ranches Company in the same state.

The success reported by the larger companies during 1882 and 1883

had the immediate effect of encouraging the formation of seven new companies during 1884 with an aggregate capitalization of five million dollars. The largest of the new companies, the American Pastoral, boasted a capital of a million and a half dollars and owned a 284,618-acre ranch in Texas. Other newcomers were: the Carrizozo Cattle Ranch Company in New Mexico; the Cattle Rancho Company of Texas; the fabulous three-and-a-half-million-dollar Consolidated Land and Cattle Company of Texas with a star-studded board of directors which included Lord Thurlow, Lord Lovat, the Earl of Strathmore and the Earl of Mar and Kellie; the Denver Ranch Company of Colorado; the Espuela Land and Cattle Company of Texas; and the Montana Sheep and Cattle Company.

By the end of 1884, when signs of an acute business recession were already clearly evident, the British investment market began to show weakness. Only four new companies entered the cattle field in 1885 and three in 1886. The "cattle bubble" broke late in 1886, and only one other British-American cattle company was organized during the rest of the century. The seven companies founded just before the "crash" had a total capitalization of \$5,400,000. They were: the Cedar Valley Land and Cattle Company of Texas, the Chalk Buttes Ranch and Cattle Company of Montana, the Chama Cattle Company of New Mexico, the Cresswell Ranch and Cattle Company of Colorado, the Deervale Ranch Company of Texas, the International Cattle Company also of the Lone Star State, and the Wyoming Hereford Cattle and Land Association. The lone newcomer after 1886 was the Cattle Ranch Company, Ltd., of Texas, organized in 1889 with a capitalization of \$400,000.

Thus between 1879 and 1900 English and Scottish interests promoted thirty-seven cattle companies with an initial capital structure amounting to more than thirty-four million dollars.

Among the founders and directors of the British cattle ranches were some of the leading financial, industrial, and agricultural leaders in Great Britain. In addition to the Earl of Strathmore, the Earl of Mar and Kellie, and Lords Thurlow and Lovat, the list included the Duke of Manchester, the Earl of Dunraven, the Earl of Airlie, the Earl of Dunmore, the Earl of Aylesford, Lord Castletown, Lord Neville, Lord Granville Campbell, Lord Wharncliffe, and a score of barons, knights, and members of Parliament. Far overshadowing this distinguished body of peers, titled gentry, and Parliamentarians were the great mass of

ordinary businessmen who joined in the American livestock ventures and invested heavily in them. These included shipowners, barristers, solicitors, engineers, accountants, merchants, clerks, farmers, retired colonels, generals, vice and rear admirals, produce brokers and grain dealers, printers, paper manufacturers, land agents and proprietors, ministers, stockbrokers, wax bleachers, stationers, commercial travelers, lithographers, justices of the peace, insurance agents, textile manufacturers, bankers, and lastly the "Hereditary High Sheriff of Aberdeen and Kincardine."

In addition to this broad cross section of Britain's economic life, the lists of stockholders were filled with such common folk as retired and pensioned military officers, schoolteachers, ministers, widows, "spinsters," and "clerks in order." Despite the prominence given the nobility, it is evident that at the center of the British-American livestock venture there was a firm core of middle-class investors. The success or failure of these livestock enterprises was a matter of real importance to more than ten thousand Englishmen and Scotsmen who resided in almost every county in Great Britain.

In spite of a downward trend in live cattle and beef prices, the traffic in both live cattle and fresh meat continued to be a major enterprise throughout the eighties. After several years of fluctuation the trade suddenly soared to new heights in 1889 when about three hundred thousand head of live cattle and more than a million and quarter hundredweights of fresh beef were shipped from America to Great Britain. This trade continued until the end of the century. Despite large British investments in livestock enterprises in Canada, Australia, and Argentina during the very period in which they were developing their American ranches, the United States provided 70 per cent of the beef animals imported into the United Kingdom in 1900 and 85 per cent of that nation's fresh beef. The value of these imports in that single year amounted to more than sixty-two million dollars.

III

Almost from the outset the British ranch owners in the American West had encountered trouble. The "boom period" of the great cattle drives and high market prices experienced during the later seventies continued until 1884. Then the accumulated effects of the widespread expansion of ranching in the West, the completion of railroads to the ranch country (obviating the necessity for the heroic "long drives"),

and the decline in value of the lean grass-fed stock in comparison with the grain-fed middle-western cattle caught up with the range-cattle industry. British managers had bought their lands and livestock at the peak of a highly inflated market. In addition it soon became evident from the annual calf-branding tallies that their herds were far short of the numbers called for in their purchase contracts. Investigation subsequently proved that the American vendors had been much too sanguine in their annual deduction from their "book count" of only 5 per cent for winter losses. The figure should have been nearer to 15 per cent per annum.

Despite their awareness of this situation after one or two years of operation, the demand for high dividends caused the British operators to hide or gloss over the situation and to resort to the dubious practice of marketing immature beeves in order to get sufficient income to meet the expected dividends at home. Except for a desire to obtain additional investors by paying substantial dividends, company records do not show anything to support the action of the board of directors of the Prairie Cattle Company in paying dividends from 1881 to 1883 of 26 per cent, 30 per cent, and 20 per cent, or that of the Western Land and Cattle Company in declaring one dividend in the same period of 20 per cent and two of 15 per cent. Other companies followed suit, paying large dividends either out of capital or by premature marketing. Such practices, of course, could continue for only two or three years before the companies were forced to admit the situation, for their herds contained no further marketable cattle.

It was at this juncture that nature came to the assistance of the perplexed managers. An especially disastrous winter in 1885-1886 decimated livestock in many parts of the West. While actual losses on the British ranches varied from 15 to 30 per cent, the managers took advantage of the acute situation to write off the obvious deficiencies accumulated over several years through failure to allow for normal range losses and through premature marketing practices. The result was a reported loss of as high as 65 per cent in various British-American herds. The Swan Land and Cattle Company, Ltd., for example, reported in 1885 that its herds numbered 123,460 head of cattle. In 1887 the adjusted figure showed only 56,856 cattle on the company's ranges. Despite this "cushioning" of the real position of their companies, consternation struck the English and Scottish investors. Some companies, after bitterly denouncing the American promoters and

vendors of the ranches, voted to forego dividends and to reorganize their western properties.

In spite of the difficulties a serious effort was made to get an actual count of the cattle on each ranch and to insist on range tallies instead of book counts on all new purchases of cattle. While theoretically sound, this policy led to unexpected difficulties in actual practice. Finlay Dun, secretary of the Swan Land and Cattle Company, Ltd., of Wyoming determined to find out the real status of his company's herd. After weeks of counting the cattle on the ranges and marking each steer, cow, or bull driven past him with a broad stripe of blue paint, he discovered to his evident chagrin that he was counting the same animals twice. The cattle had been able to rub off the tally marks in a few days. Some were rounded up by the cowboys and counted a second time. Dun gave up in disgust and went home with the job only partially completed!

Much of the trouble experienced by the foreign companies in the eighties and nineties developed over the use of the public domain. Squatters, sheepmen, and scores of small ranchers were already moving on to the public domain at the very time the British interests were establishing their properties. The era of free and unchallenged use of millions of acres of public land, which had characterized the profitable period of the "cattle kings" in the late sixties and seventies, was rapidly drawing to a close. Despite carefully drawn contracts, the priority rights supposedly conveyed over large tracts of public land to the British companies were invalid. The seizure and fencing of choice hay bottoms, water holes, pastures, and trail sections soon forced the British to purchase and lease large tracts for their own protection. The Prairie Cattle Company in 1885 held in fee 156,862 acres and leased an additional 32,278 acres; the Swan operators acquired 578,862 acres; the Texas Land and Cattle Company purchased 388,174 acres and rented in addition 520,966 acres; the Matador managers secured title to 424,296 acres and leased 256,367 acres more; the American Pastoral Company owned 300,692 acres and secured leases on 208,891 acres adjoining its own lands. In addition to these purchases and leases each company attempted to hold from 100,000 to 300,000 acres of public domain by purchasing small tracts within the public domain and ranging stock over the entire neighboring area. Clashes with squatters, sheepmen, and intruding cattle graziers resulted in strong anti-British feeling and outright attacks against absentee ownership and operation.

In an endeavor to prevent trespass and to protect their she-stock from breeding with inferior bulls owned by less progressive stockmen, the ranch managers secured permission from their British boards to fence the ranges. This unprecedented development led to further difficulties as it was soon found impossible to fence in company lands without including inside the closed areas appreciable range land and stock-watering sites actually part of the public domain. In some instances this action was quite deliberate, the British operators purchasing alternate sections in the domain and then fencing in the entire area including the government sections between their own checkerboarded tracts. This ruse was violently protested by other ranchers as well as settlers. It led to frequent conflicts between the stockmen and to emphatic orders by the Secretary of the Interior and the Attorney-General for the destruction of the offending barriers to the traditional free use of the public domain. Several federal indictments were returned against the companies and heavy fines assessed. The government's attitude and the invasion of the British ranges had a twofold result: a number of the companies proceeded to liquidate their properties and withdraw from the field; but the stronger organizations — largely Scottish — set out to purchase and lease tracts aggregating, in at least two instances, three quarters of a million acres each.

Life on the British ranches was essentially no different from that on the scores of similar American-owned properties. Ranching was a business, a serious one in which all the risks and liabilities of any major enterprise were present, and the British were in business for the profits they could obtain. Frequently, the only visible link between the British owners and the American staff was the dour Scots manager, a stern, efficient man of the caliber of Murdo McKenzie of the Matador, John Clay of the Swan and Western Ranches Companies, and John Tod of the American Pastoral Company.

It was only during the annual visit of the British secretary or president of the company, or when a group of directors or stockholders bent on enjoying the hunting or fishing arrived, that the pattern was broken. Moreton Frewen, youthful English sportsman and co-founder of the famed Powder River Land and Cattle Company in Wyoming, constructed a large ranch house on Powder River in 1879 and during the following four years built one of the best ranches in the West. It became the first million-and-a-half-dollar British cattle ranch in the Rocky Mountain region. Realizing that the completion of railroads meant the end of the Texas Longhorn trade, he turned his attention to

raising the shorter and heavier Shorthorn stock which brought top prices in the nation's markets. In place of the rangy Texas cattle he purchased ultimately 54,000 head of Oregon stock. The combination of a good range, good cattle, and good operations produced excellent results. Frewen was able to ship live cattle from his Wyoming ranges to the Smithfield market in London and to secure premium prices for them. The ranch, located in the midst of one of the finest game areas in the United States, became a mecca for Frewen's titled and wealthy friends and co-investors. His ranch guest book reads like a section from Burke's *Peerage* or the *Landed Gentry*.

Ranch stories involving tenderfoot British visitors or embryonic cattlemen are legion. What is too often overlooked is that the British brought to the western range-cattle industry its first large capital investment. From numerous small operations they organized the great companies; they made possible the stocking of the ranges to a degree never before attained; they invested in the best stock they could secure and imported the finest pure-bred Shorthorn, Hereford, and Angus bulls to breed up the herds then on the ranges; they improved their range lands by developing water facilities, reseeding pastures, and fencing to prevent overgrazing; at a time when annual winter losses were high they introduced winter feeding on a mass scale and constructed livestock shelters. British managers were strong supporters of the livestock associations (which sought to bring order out of a chaotic business) and liberal contributors to the public life of the West. In addition to developing their ranches the English operators took an active part in the development of stockyards and markets — in Chicago, Kansas City, Fort Worth, Omaha, and Denver. They were active in the promotion of the multimillion-dollar trans-Atlantic trade but failed to secure control of that traffic as they had hoped.

Despite this broad activity the return on the British investment was disappointing. The ranches were too large and the increased costs of operation cut heavily into anticipated profits. Of the thirty-seven ranching companies organized between 1879 and 1900, only eight Scottish corporations survived the combined effects of initial bad management, the disastrous winter of 1885-1886, the depression in beef prices in the eighties, and the silver debacle of 1893 and its aftermath and were able to return a profit to their stockholders. Several of the English companies continued to operate until 1910, but only for the purpose of liquidating their properties and salvaging what they could of their capital investment.

Of the eight Scottish survivors only one had a nearly perfect record in the payment of dividends. This was the Western Ranches, Ltd., a Wyoming and Dakota operation organized in Edinburgh in January 1883 and managed first by Ireland's outstanding agriculturist, Sir Horace Plunkett, and later by the no less efficient John Clay. When the company wound up its affairs in 1911 it had paid twenty-seven annual dividends varying from 4 per cent to 20 per cent. The average annual dividend over the entire period was 11 per cent, and at the winding up the stockholders received an additional bonus of 17 per cent.

The Hansford Land and Cattle Company wound up its affairs in 1904, having paid seventeen dividends, averaging over the period of its existence 4.33 per cent, plus a bonus of 15 per cent when the company was liquidated. The Matador Land and Cattle Company of Texas and Colorado is still flourishing after sixty-five years. It still owns 878,625 acres of land and one of the largest herds of Hereford cattle in America. Since 1883 and including the eight years in which no dividends were paid the Matador has had an average annual dividend of 8 per cent; from 1910 to 1945, however, the average dividend was 11.33 per cent.

In twenty-four years of operation the Missouri Land and Cattle Company paid back its stockholders and returned a profit of approximately 4 per cent per annum; the spectacular Prairie Cattle Company, which started its dividend record in 1881 by paying 26 per cent, 30 per cent, 20 per cent, and two 10 per cent dividends in succession, wound up its affairs in 1920, having paid its owners a return of slightly more than 8 per cent over the entire period. The Swan Land and Cattle Company, Ltd., concluded its corporate existence in 1926, having returned an average of 6 per cent per annum upon its investment over a span of forty-three years. The Texas Land and Cattle Company's over-all average return was about 3 per cent.

In summary, it appears that short-term investors in British-American ranching companies lost approximately \$25,000,000 between 1880 and 1910. Despite this financial disaster, the contribution of this foreign enterprise in the West was incalculable. As they had already done in railroading, mining, milling, and agriculture, the British investor in the range-cattle industry had made a material contribution to the economic development of the American West.